

Session 1 – Overview of Imports and Exports:

- 1) **Are the U.S. Virgin Islands and Puerto Rico covered in the import data? Is it included in our monthly statistics we make available to the public or are the statistics included in a separate report?**

Imports from foreign countries into the U.S. Virgin Islands and Puerto Rico are included in our import data. Statistics on goods traded between the United States, U.S. Virgin Islands and Puerto Rico are not included in the trade statistics but are published in a separate publication. The annual report *U.S. Trade with Puerto Rico and U.S. Possessions* is available on our website at <http://www.census.gov/prod/www/abs/ftdpr895.html>

- 2) **Do we cover the monthly statistics for Guam?**

We publish the imports and exports between Guam and the United States in the report *Trade with Puerto Rico and U.S. Possessions*. Guam trade is not included in the Merchandise Trade Statistics.

- 3) **If a shipment is denied admission at the border will it still be counted in our monthly statistics?**

No.

- 4) **Where are most of the bonded warehouses located?**

A CBP bonded warehouse is a building or other secured area in which dutiable goods may be stored, manipulated, or undergo manufacturing operations without payment or duty. Regulations regarding bonded warehouses can be found at 19 CFR 19. There are approximately 1862 different bonded warehouses located within the 300 ports of entry in the United States, Puerto Rico, and the U.S. Virgin Islands. Additional information on bonded warehouses can be found at <http://www.cbp.gov/xp/cgov/toolbox/publications/trade/>; see CBP Publication #0000-0537 – U.S. Customs and Border Protection Bonded Warehouses.

- 5) **What is meant by “non-privileged”?**

At the time that goods are admitted into a Foreign Trade Zone under non-privileged foreign status, the importer will choose to have the merchandise treated, for tariff purposes, at the time of withdrawal, either for entry into the commerce or for transfer into a bonded warehouse. Conversely, goods admitted into a Foreign Trade Zone under “privileged foreign status” are classified and appraised and duties and taxes paid as of the date the application for admission to the zone is filed. Additional information regarding Foreign Trade Zones may be found at http://www.cbp.gov/xp/cgov/import/cargo_control/ftz/

6) In talking about edits with data, what would be an example of an edit?

An example of an edit could be a test for an improbable country for a commodity or quantities or shipping weights that exceed normal maximums/minimums.

7) Who is responsible for determining the country of origin and tariff classification of imported merchandise?

Under Section 484 of the Tariff Act, as amended (19 U.S.C. 1484), the importer of record is responsible for using reasonable care to classify and determine the value and country of origin of imported merchandise and to provide any other information necessary to enable the CBP to assess duties properly, collect accurate statistics, and determine whether other applicable legal requirements, if any, have been met. The CBP is responsible for fixing the final classification, value and country of origin of the merchandise. The failure of an importer of record to exercise reasonable care may delay release of the merchandise and, in some cases, result in the imposition of penalties. The CBP publication "What Every Member of the Trade Community Should Know About: Reasonable Care," is available on the CBP Web site at:

http://cbp.gov/linkhandler/cgov/toolbox/legal/informed_compliance_pubs/icp021.ctt.uco021.pdf

8) Are chapters 98 & 99 considered dual reporting because we are also reporting the Harmonized number from chapters 1-97?

Yes.

9) How do we determine the MOT (Method of Transportation) when a product leaves the United States and goes into another country?

MOT is determined by how the goods cross the U.S. border. If an item is shipped from New York to Canada by truck then shipped by air to China, our statistics would show a truck export to China, as this is how the goods crossed the U.S. border.

10) If the U.S. Government exports or imports goods to another foreign government, would this be considered non-statistical?

Most goods traded between the U.S. and foreign governments are statistical. However, goods imported by a foreign embassy in the United States for its own use are not subject to entry requirements and are not included in the statistics. Likewise, goods the United States sends to its embassies, armed services and other installations abroad for their own use are not statistical.

Session 2 – Differences between the data collected by CBP and the trade statistics

11) What are low value records?

Low Value records are records valued below the exemption level. For imports, this is \$2,000 for some commodities and \$250 for other commodities.

12) What are Informal Entries? How are they treated in the statistics?

There are several types of informal entry types including entry types 11,12, and 92. Import documents with a total value below the exemption levels listed above may be filed using the informal procedure, which requires less information than a formal entry. Except for some U.S. Goods Returned transactions, which may be reported on an informal entry with values up to \$10,000, transactions reported on informal entries also fall below the statistical low value thresholds (applied on a line instead of a document basis).

13) What is included in the annual revisions?

The annual revisions reflect changes due to a) corrections done by a Foreign Trade Division analyst doing investigations and b) carryover, which is data received too late to be processed initially in its correct statistical month.

14) Is the Value represented by the sum of the values for Low value records a very large number?

No. In 2005, the import low value estimate accounted for 1.1% of total import value while the export estimate accounted for 2.2% of total export value.

15) What are examples of nonstatistical entries and how much value is represented here?

Examples of nonstatistical entries include a) government to government shipments b) drawback entries c) trade fair entries and d) rewarehouse entries. We do not have any estimates of how much value is accounted for by such entries/exports. Under the United Nations Guidelines these transactions are out of scope for the merchandise trade statistics. The value could be substantial for some partners, due to things such as U.S. military shipments to U.S. installations abroad.

16) Why do you not use the low value records?

This practice began many years ago, when we would have had to key these items. There would have been a significant cost involved. Today on imports, we get some low value records electronically, but not all of them. These low value records are stored in ACS in a separate database that we do not extract: As we move to ACE, we will have more access to low value records and will be examining ways to improve our measures of this trade.

Session 3 - Canadian Data Exchange

17) With regards to foreign goods going to Canada: Why does the United States count these goods as exports to Canada?

Except for in-transit goods, a good is considered an export when it is physically moved out of the United States destined to a foreign country, as recommended by the United Nations Guidelines for Merchandise Trade Statistics. Since many of these goods are being exported pursuant to a sale or other transaction involving the United States (rather than just passing through), such transactions need to be included in the trade statistics.

18) How is a good that goes to Canada from France considered a U.S. good?

A good's country of origin is the country where it was grown, mined, manufactured, or last substantially altered. It retains that country of origin until it is substantially transformed in another country. For example, if a U.S.-built airplane is sent to France for outfitting, then sent to a Canadian customer, the United States will show an export to France. France will show a re-export to Canada (possibly in a later month) and Canada will show an import from the United States.

19) Please explain the differences between the Country of Origin and the Country of Exportation [Departing Country].

For imports, the country of origin identifies where a good was grown, mined, manufactured, or last substantially altered. The country of exportation [departing country] refers to the country from which the good began its uninterrupted journey to the United States.

For exports, we do not collect the country of origin of the goods. The only distinction is between foreign exports (previously imported goods that have not been advanced or improved in the United States) and domestic exports.

20) Are corrections from Statistics Canada considered carryover? What type of corrections can there be?

Corrections from Statistics Canada are not considered carryover. Any information the Census Bureau receives from Statistics Canada is subject to a subsequent correction resulting from corrections by the filer or analysis/investigations by the Census Bureau or Statistics Canada. Typical corrections include changes to value, quantity, and/or classification.

21) Are there any statistics about cargo moved by rail? Do we consider the goods in the railcar part of our export statistics?

Response: Yes, there are statistics about cargo moved by rail. The Census Bureau does indeed consider the goods in the railcar as part of our export statistics. For example, a shipment of fruit moved by rail would be counted in our statistics. However, the railcar itself would not be counted when it is simply a container to facilitate trade. Whenever the railcar itself is the object of trade, it should be included in our export statistics.

Because of special legislation, however, firms are no longer required to submit entry summaries to U.S. Customs and Border Protection when the object of trade is the railcar itself (other than those subject to Col. 2 duties). This legislation has reduced the accuracy of the Census Bureau's import statistics on railcars (when the object of trade is the railcar itself) and the data we send to Statistics Canada through the Data Exchange Program. The Census Bureau is currently looking into ways to address the matter.

22) Are the in-transit statistics being subtracted from our export shipments? Doesn't this show an imbalance in regards to our statistics?

Our export statistics do not include shipments shipped in-transit through the United States under bond. These goods are merely passing through the United States, so they do not belong in the trade statistics.

However, our export statistics do include transiting shipments that were previously filed as imports on an entry summary (i.e. improper reporting) because they are treated as official imports and not in-transit shipments. These shipments are then treated as official exports once they are shipped out of the U.S. This practice does not affect our overall balance of trade, but does affect our bi-lateral trade with Canada and other partners.

- 23) Does the Data Exchange with Canada work well, and what are the possibilities of expanding and using an exchange with other countries?**

The Data Exchange Program has worked well. The Data Exchange Program has improved the accuracy of our export statistics, reduced the reporting burden of exporters, and decreased the operating costs associated with processing Shipper's Export Declarations. However, we are not currently considering any additional data exchanges with other countries.

Session 4 – Data by Partner Country

- 24) Suppose a product originates in China and is imported by India. The Indian importer then exports the product, unchanged, to the United States.**

Which country will U.S. trade statistics show as the country of origin?

China.

Which country will U.S. trade statistics show as the country of shipment?

India.

- 25) For HTS 9802 items, the importer does not pay duties on U.S. components incorporated into imported goods. With the implementation of NAFTA, a lot of the duties are gone so the filers can save paperwork and file the entry as an import without the 9802 number being reported.**

Suppose the United States sends \$3,000 of fabric to Mexico (already cut into pieces) to be sewn together into shirts in that country. The pieces are assembled into shirts valued at \$4,000. What affect on trade statistics does this have if the shirts are not imported using the 9802 heading?

If 9802 is not used, data users will have no way of determining how much of the import is of U.S. origin and how much is of Mexican value. U.S. trade statistics will show a \$4,000 import from Mexico, but the special tabulations of U.S. components incorporated in imported goods would not show the \$3,000 in U.S. fabric. The overall affect on our trade statistics would be zero since the total value of the import is included in the total import number.

26) For exports, where there is foreign merchandise involved, do we know what the country of origin is?

No, export filers are only required to report whether the merchandise is domestic or foreign and do not report the country of origin.

Session 5 – Quality Issues

27) What is the error significance as there is more detail on FTD statistics?

We do not have estimates of this. However, the smaller the cell, the greater the impact of any given error on it would be. For example, a small country with little trade would be more affected than a large trading partner such as Japan.

28) From the around 18,000 HTSUSA numbers, there are around 80 percent that are duty free. How much value would be on records with those duty free HTSUSA numbers?

About one-half of import consumption value comes from commodities that are duty free.

Session 6 – Exporter Profile

29) Are there plans to break down the company types to more specific 2-3-digit NAICS codes for the Profile of U.S. exporters?

We do not currently have any plans to break down the company types into more specific NAICS codes due to disclosure concerns. There is an increased chance of disclosure as the NAICS codes get broken down into more detail.

Session 7 - Demonstration

30) How similar is NAICS to Dunn and Bradstreet's SBA Classification?

We have never compared those two systems.

31) Is GTIS a Census product?

GTIS releases the state data under a Cooperative Research and Development Agreement with the Census Bureau. State data are available directly from FTD including quarterly databases for a) State by NAICS b) State by 6-digit HS c) State by Region and d) State by Port.

32) Is Census data available for free at Federal Libraries?

Yes, many federal libraries subscribe to US Trade Online.

Session 8 – State Data

33) What is disclosure analysis?

Disclosure analysis attempts to identify and treat *sensitive* cells in an n-dimensional table of data such as trade totals. A cell is sensitive if it exhibits an unacceptable level of disclosure. An example of a 2-dimensional table would be Metro area by 3-digit NAICS code trade totals of exporters within each of the tables cells. The main concern is with *attribute* disclosure of an exporter. More specifically, attribute disclosure refers to when the released tables make it possible to reveal sensitive information (e.g. trade) from a company.

Confidentiality of a company attribute can be protected by restricting the amount of information in released tables or by imposing conditions on access to the data products. The disclosure limitation methods most often used by FTD provide confidentiality protection by restricting the data, e.g. cell suppression or merging nearby cells so that the new (merged) cell is no longer sensitive.

34) You mentioned that you are working with MCD (Manufacturing and Construction Division) to obtain your numbers. Is this data available just for manufactured goods, or are agricultural commodities also included in the State Data?

We do not obtain our numbers from MCD. The MCD product was offered as an option. For more information visit their web site at <http://www.census.gov/mcd/exports/>

The state data released by FTD in the supplemental exhibit 2, is divided into NAICS based manufactured and non-manufactured commodities. The latter would include agricultural commodities.

As an alternative, one can also use the FTD Quarterly product, option 1, which provides state exports data by 3-digit NAICS-based categories or the Global Trade Information Services (GTIS) product. Which provides data by 6-digit HS code. The GTIS product would require a concordance file which can be obtained from our web site at <http://www.census.gov/foreign-trade/reference/codes/index.html#concordance>

35) Will export data be available by zip code?

The substate data will be released through the International Trade Administration (ITA). Please email Mr. William Kolarik William.Kolarik@mail.doc.gov of the ITA for more information.